

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **BOARD OF DIRECTORS**

### **MINUTES OF Monday, December 19, 2011 MEETING**

**Board Members Present: Thomas Deller, Chairperson; Jerome Williams; Stephen Durkee; Michael Lewis; Maureen Martin, Anna Liebenow; Mayor Scott Avedisian; and Margaret Holland McDuff.**

**Also Present: Charles Odingbe, Chief Executive Officer; Todd Gleason, (Outside Counsel); Andrew Prescott, (Outside Counsel); Ellen Mandly; and other members of RIPTA's staff and members of the public whose names are on the sign-in sheet.**

#### **Agenda Item 1: Vote on November 21, 2011 and December 2, 2011 Meeting Minutes**

**Mr. Deller called the meeting to order at 1:35 p.m. and asked if the Board members had an opportunity to review the minutes of the meetings held on November 21, 2011 and December 2, 2011. The Board members indicated that they had and Ms. Martin made a motion to approve both sets of minutes as presented. Mr. Williams seconded the motion. The minutes of the meetings held November 21 and December 2, 2011 were unanimously approved as presented.**

#### **Agenda Item 2: Public Comment**

#### **Agenda Item 9: Old Business/Open Doors Program & Revised Bus**

## **Pass Program**

**Mr. Deller noted the large crowd in attendance in the audience regarding agenda item # 9 – the Open Doors Program and asked for public comments relative to this agenda item, but first, he asked RIPTA CEO Charles Odimgbe to give a status report on the Open Doors Pilot program.**

**Mr. Odimgbe said back in February 2011 the work on an Open Doors pilot program was begun and gave a brief history and noted that he informed the union of the program and no objection was made at that time. As the program was being initiated, the CEO stepped back from the process to deal with other more pressing issues such as the deficit and he later learned via the press that the program participants had been placed as bus operators. He said that hindsight is 20/20 and he believes the program and RIPTA may have been better served by hiring them in utility positions, but at that time none were available. Mr. Odimgbe took full responsibility for the misjudgment.**

**That said, the CEO noted that while employed with the Authority the employees had zero complaints against them and caused no problem whatsoever, and all was fine until they were identified by the press. Mr. Odimgbe acknowledged that both men had criminal pasts, yet they had completed the prescreening process via Open Doors and had submitted to background tests prior to hire, as do all employees, and following this passed all qualifying tests to become a bus**

operator. Mr. Odimgbe finished by saying he personally believes in rehabilitative programs such as this and has had success implanting them at other properties where he worked. He said he takes pride in having instituted the program, but at the present time, unfortunately, the program has been put on hold and is being reconsidered and the two gentlemen have been let go.

At this point Margaret Holland McDuff arrived.

Maureen Martin asked for clarification that the two men have been let go, but if they might be qualified to work at RIPTA again at another time in another position. Mr. Durkee asked if they were to come back, when that might be. Mr. Odimgbe said there is a possibility they may be rehired at a later date in different positions, however he must deal with budget deficit issues prior to this. Mayor Avedisian said he admired the concept of the program as second chances and redemption is important. He asked Mr. Odimgbe to fast-track developing a solution. Mr. Odimgbe said he would have a discussion paper ready for the February meeting.

Many members of the group DARE were in attendance at the meeting and the Board members received a copy of a letter from the group inviting them to attend a meeting on January 19th.

Board member Anna Liebenow expressed her concern regarding drivers with a criminal background transporting customers of the

**Ride Program. She said these fragile members of the community need to have a higher level of security and comfort.**

**Mr. Deller asked for public comments but stressed that no vote would be taken today on this matter. The Board will wait to take action until Mr. Odimgbe compiles the white paper in February. Mr. Deller recognized the first speaker Jordan Seaberry from DARE who read a letter attached hereto as “Attachment A”.**

**Almas Kalafian spoke and suggested that the Open Doors program participants start out as taxi drivers pointing out that the Ride program greatly utilizes private taxis. She said after they become acclimated to the Ride program and its participants in this way, they would more easily transition to driving to Ride.**

**John Prince thanked the Board for moving the Open Doors topic to the top of the agenda. He said he was once incarcerated and the thanked the CEO for starting the Open Doors program.**

**Larry Robertson one of the two drivers hired via Open Doors spoke at length about his criminal past and the steps he took to get back on track again in his life. He said working through the Open Doors program, going through and passing the RIPTA training program and being a bus operator had given him a sense of pride he had not had in many years. Additionally, he was finally able to support himself and his family and provide them with health benefits. While**

employed he enjoyed his job and had no complaints from his riders, until he was outted in the press. He respectfully asked to be reinstated.

Carmen Castillo, Councilwoman from Ward 9 submitted a letter to the Board attached hereto as “Attachment B”. She added that her heart was broken over this situation and asked the Larry Robertson be reinstated.

Sheila Wilhelm thanked the CEO for taking the bold step of trying the Open Doors program. She then discussed the probation system in Rhode Island and said everyone knows somebody who has been incarcerated and everyone deserves a second chance. She said her son was incarcerated and now works at a major corporation. She said Tim White the reporter who did the story on the Open Doors program should be ashamed as this was a human interest story that he turned into an injustice. She asked that the program not be suspended and again thanked Mr. Odingbe for his efforts.

Deborah Langlois spoke next saying she has a criminal record and she gives Charles praise for trying to work with those coming out of the prison system. She said the RIPTA Board has the power to show ex-cons that they are people who deserve a second chance.

Sway Mendez said he was an ex-criminal who has been on probation for 11 years and is now working as a record producer. Mr. Mendez

spoke at great length about his current career and the pride he gets from doing this job. He said he is an example of someone who was able to turn his life around and he asked Mr. Odimgbe to not terminate the program because the Open Doors bus operators need that chance too. He also asked Mayor Avedisian to intervene to keep the program going.

John St. Lawrence said he was angry to have to be here because this was a good program and ending it is a grave injustice. He discussed prison statistics in Rhode Island and then asked Mr. Odimgbe and the Board to consider rehiring the two Open Doors drivers who were let go.

Joseph Buchanan said Charles did a great thing for the community by trying to get the Open Doors program going. Mr. Buchanan is an ex-con and board member of Open Doors for 9 years – he then described the virtues of the program. He said the two drivers passed all the exams to become RIPTA drivers and had no complaints against them. He said their firing was the criminal offense and he is appalled. He thanked Charles for his efforts for Open Doors. He asked the Mayor for his support, reminding him that criminals vote too and told Ms. Liebenow that some criminals are handicapped as well. He finished by asking that the drivers be rehired.

Jordan Seaberry from DARE spoke again and read a letter from Kevin Thomas the other driver who had worked at RIPTA via the Open

**Doors program. That letter is attached hereto as “Attachment C”. Mr. Seaberry asked that the drivers be rehired, especially because it is so close to Christmas and he asked the Board members to attend the Dare meeting on January 19, 2012.**

**Bob Batting former RIPTA Board member and Chair discussed the Streetcar program under consideration for the City of Providence and cited statistics he gathered at recent Streetcar meetings he has attended. Mr. Batting is totally against the project as it makes no fiscal sense and it is an inordinate waste of RIPTA’s scant resources. Mr. Batting then voiced support for Mr. Odimgbe in his efforts relative to union negotiations and said did not agree with members of the union speaking on the subject on talk radio and that the CEO needs help and cooperation.**

**Douglas Williams from RIPTA Riders spoke next and read a letter on behalf of his group which is attached hereto as “Attachment D”. That letter contained condolences for the recently passed RIPTA bus operators and suggestions for ongoing labor negotiations.**

**Paul Harrington, President of the Amalgamated Transit Union spoke next and said he was making a point of order in stating the previous President of Local 618 had not had a dialog with the CEO regarding the Open Doors Program.**

**Next Mr. Harrington said lost service is a big problem and quoted**

**some figures regarding lost trips over the previous two months and said lost service is a serious issue. He then described a recent visit to Kennedy Plaza and he said observed empty info kiosks, malfunctioning schedule televisions and burnt out light bulbs which he called a safety risk. He called KP the heart of RIPTA and said understaffing is a big issue resulting in inefficiencies.**

**Finally, bus operator Eric St. Pierre spoke and said his buses have been overfilled and this should be counted as lost service.**

**Agenda Item 3: Executive Session Pursuant to RIGL 42-46-5(a)(2) for Discussions and/or Action Related to Collective Bargaining**

**Mr. Deller read the law to convene an executive session pursuant to RIGL 42-46-5(a)(2)**

**for Discussions and/or Action related to Collective Bargaining. Mayor Avedisian made a**

**motion to convene the executive session and Michael Lewis seconded the motion. A roll**

**call vote was and the motion to convene to executive session passed unanimously.**

**Following the Board's return to open session Mayor Scott Avedisian made a motion to seal the minutes of the executive session. Mr. Lewis seconded the motion, and it passed unanimously.**



#### **Agenda Item 4: FY 2012 Deficit Reduction Initiatives**

**Mr. Deller as Chair reported that there was a vote held in executive session and it was resolved that, RIPTA shall implement a staff reduction effective February 1, 2012 affecting approximately 33 employees, the effect of which will reduce RIPTA's operating costs by approximately \$948,613 for the remainder of the fiscal year, while continuing to work with labor representatives to ensure improved efficiencies that will make these changes sustainable over time. Chairman Deller asked for a roll call vote and members Margaret Holland McDuff, Jerome Williams, Thomas Deller, Mayor Scott Avedisian and Michael Lewis voted in favor of the resolution regarding FY 2012 Deficit Reduction Initiatives. Anna Liebenow and Maureen Martin voted against. The FY 2012 Deficit Reduction Initiatives passed by a vote of 6 to 2.**

#### **Agenda Item 5: Chief Executive Officer's Report**

**Mr. Odimgbe said he did not have too much additional to offer outside of the bound CEO Report as he has been busy dealing with the budget deficit. He spoke briefly regarding the status of the ATMS project and on the KPI's and answered questions from Mr. Williams regarding the KPI for MDBF's. Mr. Williams also commended the CEO and staff for all their hard work.**

#### **Agenda Item 6: FY 2013 Preliminary Budget**

**Ms. Neira addressed the Board to provide them with a summary of the preliminary FY 2013 budget and reminded the Board that at last months' meeting she discussed the FY 13 budget assumptions. At that time we had also requested an extension to the budget office to not submit our budget until November 30th. She said we received that extension, then completed the budget and submitted it on time and that is what you see before you today. The preliminary budget for FY 2013 reflects a \$10 million dollar budget deficit and the total operating expense budget is \$107,574,269 a 4% increase over FY 2012. She said revenue is down about \$2.4 million from FY 2012 and our expenditures are up about \$4.2 million. This budget assumes no carryover of the presumed \$3.4 million deficit for FY 2012.**

**She then gave an overview of some of the items in the FY 13 board report form and said expenditures are up about 4% the bulk of which is three specific items 1) a contractual increase of 3.5% to ATU totaling a \$1.4 million dollar wage increase; 2) an increase in health care rates, but she is awaiting further information from the state on this and 3) an increase in debt service of about \$800,000. These three things account for about 75% of the expenditure increase for the year, although there were other smaller impacts which she briefly commented on.**

**Mr. Williams asked about the fuel budgeting and Ms. Neira said the budgeted price is \$3.50 a gallon, the same as FY 2012. She noted the**

currently average price per gallon is \$3.36 for the past 6 months.

She continued by discussing revenues saying they are down and discussed the decrease in the gasoline tax based on the November yield and the decrease in federal preventative maintenance funds due to the decrease in eligibility.

On the revenue side received a letter that day from the Department of Revenue and they are projecting our gas revenue to be \$300,000 lower than expected. She said the Department of Revenue will look at this issue three more times before the end of the year, the next time in May, and make additional projections so this figure could be revised, but at present this adds to our deficit. Mr. Durkee asked Ms. Neira to put together a document illustrating how much the gas revenue has fallen in recent years.

Next she discussed preventive maintenance one of the larger items we are seeing a decrease. She said the federal government has made changes in the way we are allowed to draw down funds and on the eligible expenses allowed. She explained that preventive maintenance funds cover salaries, parts and fringe benefits on eligible expenses associated with repairing our buses and buildings and the eligibility changes are affecting revenues here. She elaborated briefly on this issue.

Ms. Neira then discussed potentially purchasing a 3-year hybrid

**trolley warranty. She said when we purchased the trolleys originally they came with a 2-year warranty and now we have been offered the opportunity to purchase an additional 3-year extended warranty on these vehicles at a cost of about \$5,000 per trolley, which is a very good offer. Ms. Neira said one highlight is passenger revenue which has been increasing.**

**Mr. Odingbe said the projected deficit for 2013 may force us to take a hard look at the budget and come back to the Board in January with a totally rebuilt budget. Mr. Williams suggested that the Finance Committee meet as soon as possible in the new year and Michael Lewis agreed.**

**Ms. Neira answered a few additional questions then completed her report. .**

#### **Agenda Item 7: Procurement of Paratransit Vans and Flex Buses**

**Roger Mencarini discussed the procurement for Paratransit Vans and Flex Buses saying the RIPTA Board is requested to award a contract to Hogle Bus Company, Inc., of Monticello, MN for the purchase of 24 paratransit vans and 4 flex service vans at a cost of \$2,494,003. He said RIPTA has obtained a partial assignability contract from the State of Minnesota Material Management Division for the purchase of these vans. The procurement of these vehicles was conducted in accordance with FTA requirements.**

**Mr. Mencarini described the funding source and answered questions from the Board relative to cost effectiveness, pricing and RIPTA's use of taxis. Following this discussion Michael Lewis made a motion that the contract for the procurement of 24 paratransit vans and 4 flex vans be awarded to Hoglund Bus Company, Inc., of Monticello, MN at a cost of \$2,494,003. Jerry Williams seconded the motion. The motion passed unanimously.**

#### **Agenda Item 8: Policy Review/Future Discussion Topics**

**Chairman Deller asked the Board members to consider what policies they would like to review and discuss in the coming year, pursuant to recent discussion at the Board orientation meeting. Mr. Deller asked that the Board members email same to him, or to Ellen Mandly.**

#### **Agenda Item 9: Old Business/Open Doors Program & Revised Bus Pass Program (continued)**

**Mr. Odingbe said he would come back to the Board in February to discuss the revised bus pass program.**

#### **Agenda Item 10: Adjournment**

**Michael Lewis made a motion to adjourn the meeting. Mayor Scott**

**Avedisian seconded the motion and it was unanimously approved and the meeting was adjourned.**

**Respectfully submitted,**

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**Ellen M. Mandly**

**Recording Secretary**